

1 Q What did Mr. Easton do after he -- after you
2 mentioned this to him?

3 A He went to the bidding station and I believe at
4 that point he looked at the binder.

5 Q Did you see him remove anything from the binder?

6 A I don't recall seeing him remove anything from the
7 binder.

8 Q Did he -- what did he do after looking at the
9 binder?

10 A I think I said to him at that point, is there
11 anything that I can do, and he said, no, I'll deal with this
12 myself. And then I think he asked for the phone number for
13 the FCC. And there was specific phone numbers, hot lines
14 and that sort of thing, and they were also kept in -- I
15 think it was a separate binder, but they were also around
16 that bidding station, so I think he got the number for the
17 FCC and put in a call to them.

18 Q Do you know if Ms. Hamilton is the one who
19 actually dialed the call?

20 A I don't know who dialed the call.

21 Q You did not overhear any of his conversation to
22 the FCC?

23 A Not in detail, no.

24 Q Do you know if he spoke to more than one person?

25 A I don't know.

1 Q Do you know if he made more than one phone call to
2 the FCC?

3 A I don't know.

4 Q Where was he when he called the FCC?

5 A I think it was at the bidding station. It was
6 either at the bidding station or at the conference room
7 phone, but he was in that.

8 Q Did he have a private office that had like a door
9 that could be closed?

10 A Yes, he did.

11 Q But, he did not call the FCC from his own private
12 office?

13 A No.

14 Q The binder you said he looked at, would the
15 Control P Report and the longer reports have been placed
16 into those binders?

17 A Yes, they would.

18 Q And is it logical then to assume he was looking at
19 those reports to see what indeed the bid was submitted to
20 the FCC -- uploaded to the FCC in those reports?

21 A That would be the logical thing to do at that
22 point. And I may have looked at that report at the same
23 time.

24 Q Can you recall --

25 A I do -- sorry, go ahead.

1 Q No, why don't you finish please?

2 A That's the one thing I can't remember absolutely
3 clearly, was whether I looked at that binder and saw a
4 Control P with the \$110 per POP bid. I do know that I
5 went -- I believe when he was on the phone, I went down the
6 hall to the notice board and looked at that report there,
7 and I remember very clearly that that did have the \$110 bid.

8 Q Now, what reports got put on the notice board?

9 A I think that day it was just the Control P, I seem
10 to remember that being there on its own.

11 Q Was the copy that got put on the board a copy that
12 bore Mr. Easton's initials with the time and date?

13 A Yes.

14 Q Did there come a time where Ms. Hamilton informed
15 you that she believed Mr. Easton was misrepresenting facts
16 to the FCC?

17 A She did come and tell me that she believed that to
18 be the case.

19 Q Was that the same day?

20 A That was the same day.

21 Q What was your reaction?

22 A My reaction was that that was possible. Mr.
23 Easton had also come to me that day and -- with a lengthy
24 explanation of, or with an explanation of what could have
25 happened in the computer system.

1 Q Was that before or after Ms. Hamilton?

2 A After.

3 Q What was his explanation of what could have
4 happened?

5 A I didn't quite understand it all, it was a very
6 technical description of the interfacing of computers, and
7 to be quite honest I didn't really understand what it was
8 that he was -- what it was that he was telling me. I think
9 what he was trying to do was figure out in his own mind what
10 could have happened, but I didn't fully understand what it
11 was that he was -- how that could have occurred.

12 Q Can you recall if it appeared as though he was --
13 as his explanation that there were some internal glitch
14 within the computers at San Mateo, or whether it was that
15 there was some problem in the transmission to the FCC that
16 caused the over-bid?

17 A I wasn't really clear. It wasn't clear to me
18 where he thought the problem was.

19 Q What was his demeanor when you first showed the
20 over-bid to him?

21 A Oh, he was very distressed.

22 Q And when he came to give you this explanation,
23 what was his demeanor at that point?

24 A Very agitated.

25 Q What was Ms. Hamilton's demeanor when she --

1 actually, when you told Mr. Easton about the over-bid, Ms.
2 Hamilton, did she hear about it at that time as well?

3 A Yes.

4 Q What was her demeanor when she heard about this
5 problem?

6 A I don't recollect. I think I was focused on what
7 Mr. Easton's reaction was and what was going to happen next.

8 Q Did you, on that day, ever hear Mr. Easton attempt
9 to put any of the blame on Ms. Hamilton for the problem?

10 A I think when he was going through explanations
11 with me, I believe that he said it could have been human
12 error. I do not recollect that he ever specifically said to
13 me that that human error was Ms. Hamilton's.

14 Q Did you hear him yell at her that day, if indeed
15 he's the type that would yell?

16 A I don't remember him yelling at her. There was a
17 lot of, you know, general consternation going on. I think
18 everybody was pretty upset.

19 Q At that point, initially you didn't notice any
20 finger pointing where people were trying to place blame on
21 one another?

22 A Well, I think it was Ms. Hamilton's -- I think Ms.
23 Hamilton was quite clear in her belief that Mr. Easton had
24 made the error. I think she was concerned that she had made
25 an error, and I believe that she and I had a conversation

1 when she sort of went through the procedures that she had
2 followed. She was, I think, concerned, and we had a
3 conversation where she went through and said, well, I, you
4 know, I checked the numbers, I know I checked the numbers.
5 And I think I said to her, you know, if you checked the
6 numbers then you did the right thing, trying to, you know,
7 trying to reassure her that if she had checked the numbers
8 that that was what she was required to do. She was
9 obviously concerned, as was everyone.

10 Q This conversation where she was saying she checked
11 the numbers, can you recall if that was before or after Mr.
12 Easton's telephone call to the FCC?

13 A After.

14 Q Was it before or after she came to tell you she
15 thought Mr. Easton was misrepresenting facts to the FCC?

16 A I think it was before.

17 Q Do you know if it was before or after Mr. Easton
18 discussed with you his explanation of what could have
19 occurred?

20 A Before.

21 Q Do you know why Mr. Easton gave you an explanation
22 of what could have occurred?

23 A I don't really know what was in his mind, you
24 know. I can presume to guess, but I don't know if that's
25 appropriate to do at this point.

1 Q No. You were in no way his supervisor, his boss,
2 anything like that, were you?

3 A Oh no, absolutely not, he was my boss.

4 Q So, he didn't necessarily have to give you an
5 explanation of what occurred?

6 A No.

7 Q Did he seem to be brainstorming and just wanting
8 to sound out his --

9 A I think that's quite a good characterization, it
10 felt that way to me, and that's why I say he was going
11 through scenarios that might have caused this and I think
12 that's probably a good characterization.

13 Q Can you recall at this point if he mentioned that
14 he was aware that the Control P Report did show the \$110
15 bid?

16 A I don't believe he mentioned it.

17 Q Can you recall if anywhere in his explanation one
18 possibility was that the FCC made a mistake?

19 A I can't recall that with certainty. I'm sorry, I
20 wish I could.

21 Q That's fine. I appreciate that as an answer much
22 more than guessing.

23 A That's what I don't want to do, you know, I don't
24 want to guess at things and I don't want to --

25 Q Make things up.

1 A -- make things up or, you know, give my impression
2 of what I thought was in somebody's mind.

3 Q Do you recall approximately what time of day it
4 was where he came to you with his explanation of what could
5 have occurred?

6 A I think it was a little later in the day. It was
7 after the initial sort of furor had sort of died down a bit.
8 It was after that. So, I think it was probably some point
9 in the afternoon.

10 Q Had he called, Mr. Easton, called the FCC during
11 the furor, as you put it?

12 A Yes, immediately, the bid had been brought to his
13 attention and he had walked and looked at the reports, that
14 was when he called the FCC.

15 Q Did you see anything being sent to the FCC
16 regarding the over-bid?

17 A Not specifically. There were, I know that there
18 were faxes going out. I don't know where those faxes were
19 going. I know that he had, at that point, talked to Mike
20 Sullivan, who was FCC counsel. I'm not sure whether he
21 faxed things directly to the FCC or to Mike Sullivan, at
22 that point I was not sure what was going where, or what was
23 being sent to whom.

24 Q Did you overhear any of his conversation with Mike
25 Sullivan?

1 A No, I didn't. That took place in his office.

2 Q Was he sending the faxes himself or having
3 somebody else do it?

4 A He had somebody else do it.

 Q And was that your temp employee?

6 A That was the temp employee, Scott Merberger, I
7 believe his last name was.

8 Q Do you know the spelling of that?

9 A I think it's M-e-r-b-e-r-g-e-r.

10 Q How long had you known Ms. Hamilton by this point?

11 A Not very long. She had been a temp in the office
12 and then had gone to permanent status. You know, I can't
13 remember how long she'd been there. It didn't seem to me as
14 though it was that long.

15 Q Could it have been --

16 A A few months maybe, two or three months.

17 Q What was your impression of her as an employee?

18 A She was very bright, she was very enthusiastic.
19 She was very interested in the project. She was very
20 interested in the way that the records were kept. She liked
21 to keep the reports and devise systems to manage the
22 reports, make all the binders match. She jumped into that
23 very enthusiastically and to all intents was doing a very
24 good job. I felt quite confident that she was keeping good
25 track of the reporting system, which I felt to be quite

1 important, which was why I felt comfortable in having her
2 running that bidding process, I did feel confident enough in
3 her by that point to feel that she could handle that quite
4 well.

5 Q She didn't take you as a dishonest type of
6 employee?

7 A No. I would have had no reason to believe that
8 she was dishonest.

9 Q When she told you that she believed Mr. Easton was
10 lying to the Commission, did she at that point state she was
11 going to be resigning from the company?

12 A No.

13 Q Did she -- do you know why she was bringing this
14 information to you?

15 A Well, here again I can only sort of surmise what -
16 - you know, and try and sort of guess what was in her mind.
17 I think that she was, number one, very concerned that
18 whether she had done something wrong or not. And I think
19 she believed very strongly that she had not. I think she
20 was concerned that -- she was concerned about misinformation
21 going to the FCC or going anywhere.

22 Q Did she ask you to do anything with this
23 information?

24 A No.

25 Q Did you do anything with that information?

1 A Well, yes, I did. You know, I was then in a
2 situation where she felt as though misinformation had been
3 passed along and was concerned about that, she was concerned
4 about whether she had done anything. The first thing that I
5 did was, as I said, we reviewed what procedures she had
6 followed and it seemed to me that she had followed the
7 procedures. I knew that a bid had been created at some
8 point, that had the \$110, because I had seen it with my own
9 eyes. I felt as though at that point I couldn't be 100
10 percent certain whether she was right in her belief, or
11 whether Mr. Easton was right in his feeling that it was a
12 computer problem.

13 I felt as though what I needed to do at that point
14 was to make sure that the relevant parties knew that there
15 was a problem. I asked Mr. Easton if he had spoken to
16 Quentin, and I asked him if he had spoken to Mike Sullivan.
17 Mr. Lamoso, I knew, knew that there was a problem because
18 immediately the bid had come out obviously he began to get
19 calls, his name, his phone number was on the FCC bidding
20 software, and he was the one who immediately got calls
21 from -- I think he got calls from Trade Press saying hey,
22 you know, this is a pretty phenomenal bid, you know. And he
23 certainly called the office and spoke to Mr. Easton. And I
24 believe that, again, I'm now going on what Mr. Lamoso later
25 said, Mr. Easton at that point had told him that he thought

1 it might be a problem with the FCC computer.

2 Q Do you know what time Mr. Lamoso called?

3 A It wasn't too long after, so twelve-ish.

4 Q When you asked Mr. Easton if he had spoken to Mr.
5 Breen, what did he say?

6 A He said that yes, he had.

7 Q Do you know if he called Mr. Breen on Mr. Breen's
8 cellular phone, if Mr. Breen was driving to California?

9 A Yes, I think Mr. Breen was driving, was on his
10 way. I think there were a couple of calls that day
11 backwards and forwards between Mr. Easton and Mr. Breen. I
12 think one time Mr. Breen may have called into the office and
13 once the other way. But, there were certainly, to my
14 recollection, at least a couple of calls backwards and
15 forwards.

16 Q When was the first time you spoke to Mr. Breen
17 after this over-bid?

18 A I don't think I talked to him until the following
19 day. I don't think I talked to him that day.

20 Q On the following day, January 24th, you did see
21 Mr. Breen?

22 A Yes, I did. He came into the office.

23 Q What was his demeanor regarding the over-bid?

24 A He was very concerned about it, obviously. This
25 was a very big deal, he was very concerned about it, it was

1 the issue. He was fairly calm, Mr. Breen is usually calm,
2 he isn't somebody who tends to get very emotional about
3 things. He's much more the type who will --

4 MR. WEBBER: Can we go off the record a second.

5 (Off the record.)

6 MR. WEBBER: Back on the record.

7 THE WITNESS: Mr. Breen is much more the kind of
8 person who will sit down and try and figure out what has to
9 happen next, what needs to be done, try and sort of get
10 things organized as far as, you know, how things need to
11 proceed at that point.

12 BY MR. WEBBER:

13 Q Did you overhear any discussion in which Mr. Breen
14 was a party where how the over-bid occurred was the topic of
15 discussion?

16 A I was not a party to any of those conversations.
17 There obviously were a lot of conversations, most of them
18 were closed door conversations.

19 Q Did you have a discussion with Mr. Breen regarding
20 Ms. Hamilton's allegations?

21 A Yes, I did.

22 Q What did he say about that?

23 A Well, I told him that it was Cynthia's belief that
24 Mr. Easton had made the error and had been covering it up.
25 And his reaction was that he -- that was obviously the issue

1 that was under discussion. He knew by that point that there
2 had been an initial statement to the FCC, that had been an
3 hour or there part.

4 Q And how did he know that?

5 A Because that's what Mr. Easton had told Mr.
6 Lamoso, which was what Mr. Lamoso had been initially told,
7 made as a public statement to the Trade Press. So, I don't
8 think that I was telling him anything that he didn't already
9 realize.

10 Q Did he give you any instructions not to tell
11 anybody else this story or just to keep quiet about it?

12 A No.

13 Q Did he say what he was expecting to do about it?

14 A No, he didn't lay out for me what his next course
15 of action.

16 Q Did you talk to him in the morning, afternoon, do
17 you recall?

18 A Morning.

19 Q Did Ms. Hamilton come to work that day?

20 A No.

21 Q Did she come into the office to resign that day?

22 A No. She faxed a -- she faxed a letter, a very
23 short one paragraph saying that she would not be returning
24 to the office.

25 Q Did she ever discuss with you personally her

1 feeling of the need to resign?

2 A I had a brief phone conversation with her, and I
3 think that was on the 24th, and I think it was after I had
4 received the fax, in which she said that she -- pretty much
5 what she said in the fax, that she felt that she needed to
6 resign because she felt that Mr. Easton had been lying, and
7 that she felt she couldn't return to work on that basis.

8 Q What was your response?

9 A I think that I told her that I understood, that if
10 that's what she felt, then that's what she had to do. You
11 know, that certainly was her prerogative to do that. I
12 understood how she felt. I felt also that she must have
13 been quite scared. I think that she was concerned that
14 somehow she might be blamed for all or part of this. And I
15 understood her not wanting to come back into that situation,
16 absolutely.

17 Q Did you have any discussions with Mr. Easton
18 regarding Ms. Hamilton's resignation?

19 A No, I think maybe when I took the fax to him I
20 said to him, you know, Cynthia has resigned, and I think it
21 was not unexpected. I don't think it came as a great shock
22 to him.

23 Q Can you call what, if anything, he said?

24 A Not specifically, no.

25 Q At this point do you know if he was aware that she

1 come back into that situation?

2 Q Prior to January 23rd, did you ever hear Mr.
3 Easton express any complaints regarding Ms. Hamilton's work
4 product?

5 A No.

6 Q To your knowledge he was satisfied with her work
7 habits and work product?

8 A To my knowledge, yes.

9 Q Same with Mr. Breen, did you ever hear him express
10 any dissatisfaction with Ms. Hamilton?

11 A No.

12 Q And to your knowledge, he also was happy with her
13 work habits and work product?

14 A I believe so.

15 Q Now, going on forward from January 24th, you
16 stated previously that Mr. Breen was aware that one of the
17 things, one of the issues was whether or not Mr. Easton had
18 misrepresented facts and that was something to be looked
19 into. Do you know if Mr. Breen did anything to investigate
20 that further?

21 A I think that that was pretty well all that was
22 going on. I think there was an enormous amount of
23 discussion between -- and I'm judging this from calls coming
24 into the office, which is really the way that I would have
25 kind of gathered what was going on, calls would come in, it

1 would be Mr. Sullivan or Mr. Lamoso, or Mr. Martinez, or
2 generally the people who would be concerned in deciding what
3 was going on and how it was going to be handled, what was
4 going to happen next. So, from what I could tell, there was
5 an enormous amount of discussion backwards and forwards, and
6 research into finding out, as best as one possibly could,
7 precisely what had happened.

8 Q Were you present when Ms. Hamilton came in the
9 last time to speak to Mr. Breen?

10 A Yes.

11 Q Did you overhear any of her discussion with Mr.
12 Breen?

13 A No. That was in Mr. Breen's office, and I think
14 the door was closed.

15 Q Did she bring a friend with her?

16 A Yes, she did.

17 Q Did there come a time where Mr. Easton left the
18 San Mateo Group?

19 A Yes. It was shortly after, and I'm trying to
20 think if it was the next day or the day after that, I think
21 it was the day after that, it was -- he left the office on a
22 leave of absence. We changed the -- he was taken off the
23 bidding team and replaced by Mr. Dan Parks, and Mr. Lamoso
24 came up from Puerto Rico and stayed some time after that.

25 Q Have you had any contact with Mr. Easton since he

1 or estimate?

2 A Once every week or ten days. It's mainly about
3 other companies that I'm still doing some administrative
4 work on for him, and it's generally related to those.

5 Q Do you do any work whatsoever for WestTel or
6 WestTel Samoa?

7 A No.

8 Q And you know what I mean when I'm referring to
9 WestTel and WestTel Samoa?

10 A Yes, yes, I do.

11 Q I'm going to just jump back a second. When we're
12 discussing when Ms. Hamilton came in to talk to Mr. Breen
13 the last time, did you have any discussion with Mr. Breen
14 about what Ms. Hamilton had talked about, after Ms. Hamilton
15 had left?

16 A No. There was a meeting going on at that point,
17 and I think Mr. Breen came out of the meeting to talk to
18 Cynthia and then went back into the meeting, so I didn't
19 really have an opportunity to talk to him.

20 Q When Mr. Easton left SMG, San Mateo Group, did it
21 appear to be a voluntary departure?

22 A I think it had been established that that was the
23 best thing to do at that point. Whether the suggestion came
24 from him or somebody else, I don't know. I wasn't a party
25 to that particular discussion.

1 never struck me as somebody who would lie in this particular
2 situation. I can't see any reason why she would. So, I'm
3 not sure whether it's a fair thing to do, but I understand
4 Mr. Easton feeling that a lot of weight had been given to
5 her testimony.

6 Q You stated, on January 23rd, when Ms. Hamilton
7 first spoke to you that she might have been concerned that
8 she made a mistake, and you looked at -- did you say you
9 looked over the numbers together or you just went through
10 the process of what she did together?

11 A No, we went through the process together of what
12 she did. I don't think we looked at -- I don't think that
13 we looked at the -- I think we just talked through the
14 process. And the process was really quite clear, and she
15 had checked with what she had available to her, she had
16 checked the numbers. And one of the issues that, for her it
17 was an issue, was that the reports that she had checked, she
18 wasn't -- there was no way of her really knowing whether
19 that bid was out of the ball park or not. I mean there
20 certainly were markets that were 180 million dollars. I
21 think at that point New York was up higher than that, there
22 were bids that were that high. So, I felt like there
23 wouldn't be any reason for her to see that bid and
24 automatically know that it was wrong. And if the numbers
25 matched down at the bottom, the amount of the bid matched

1 the amount of the bid that was being uploaded to the FCC,
2 then number of POPS matched the number of POPS that was
3 being uploaded to the FCC, as I said to her, I can't see
4 that you would have any way of telling that that bid was way
5 out of line.

6 Q And did you reach any degree of comfort level that
7 she was not responsible for the over-bid, you personally
8 reach that level of comfort?

9 A My personal opinion, yeah, I felt that -- I can't
10 see -- I can't really see where she could have been.

11 (Continued on next page.)

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1 Q Did you express that to her?

2 A I probably did, yes.

3 MR. WEBBER: Okay. Thank you, Ms. Milstein, for
4 your time, I have no further questions.

5 THE WITNESS: Okay. Thank you.

6 MR. WEBBER: Off the record.

7 (Thereupon, at approximately 2:00 p.m., the
8 deposition of Ronit Milstein was concluded.)
9

10 I have read the foregoing pages 1 through 49,
11 and they are a true and accurate record of my
12 testimony therein recorded, and any changes and/or
13 corrections appear on the attached errata sheet
14 signed by me.
15

16 _____
17 RONIT MILSTEIN

18
19 Subscribed and sworn to before me
20 this _____ day of _____, 199_

21
22 _____

23 Notary Public

24 My Commission expires: _____
25



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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION

In Re:)
) Investigation
WESTTEL, L.P.)
WESTTEL SAMOA, L.P.)

Deposition of ROSALIND MAKRIS, taken on behalf of the
Federal Communications Commission, at 4000 South El Camino
Road, Villa Hotel, Room 824, San Mateo, California on
Thursday, February 6, 1997, before Margaret Harris, Notary
Public.

APPEARANCES

On behalf of the Federal Communications Commission:

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On behalf of the Deponent:

ROSALIND MAKRIS, Pro Se
[REDACTED]
[REDACTED]
[REDACTED]

FEDERAL COMMUNICATIONS COMMISSION

I N D E XDEPONENTEXAMINATION

Rosalind Makris

3

EXHIBITS:PAGEDESCRIPTIONCommission's

None.

1 P R O C E E D I N G S

2 MR. WEBBER: If you could swear the witness
3 please.

4 COURT REPORTER: Good afternoon. My name is
5 Margaret Harris, I'm a Notary Public in the State of
6 California and the County of San Francisco. My commission
7 expires in June of 1998. Will you please raise your right
8 hand.

9 Whereupon,

10 ROSALIND MAKRIS

11 was called as a witness herein and, having been
12 first duly sworn, was examined and testified as follows:

13 EXAMINATION

14 BY MR. WEBBER:

15 Q Good afternoon Ms. Makris, or Makeris (ph.)?

16 A Either way.

17 Q Okay. My name is Joseph Webber, and as you know I
18 am an attorney with the FCC. I represent the Wireless
19 Telecommunications Bureau. First of all I'll ask you have
20 you had your deposition taken ever before?

21 A Not that I can remember.

22 Q I understand, from what you've just told me about
23 being a court reporting student, you probably understand the
24 fundamentals but I'll go ahead and go over them briefly
25 anyway. Obviously the purpose is here just to get the